

0855 California Gambling Control Commission

The California Gambling Control Commission (Commission) has jurisdiction over cardrooms and tribal casinos, pursuant to its authority under state law and Tribal-State Gaming Compacts (Compacts).

There are 91 licensed cardrooms in California over which the Commission has regulatory authority. This authority extends to the operations, concentration, and supervision of the cardrooms and all persons and things related to each licensed establishment.

In addition, the Commission has fiduciary, regulatory, and administrative responsibilities related to Tribal Gaming that include: (1) oversight of Class III gaming operations, which are primarily casino-type games, (2) distribution of Tribal Gaming revenues to various state funds and to authorized, federally-recognized, non-Compact tribes, (3) monitoring of Tribal Gaming through periodic background checks of tribal key employees, vendors, and financial sources, (4) validation of gaming operation standards through testing, auditing, and review, and (5) fiscal auditing of tribal payments to the state pursuant to Compact provisions.

3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
10 California Gambling Control Commission	46.3	69.7	82.9	\$112,358	\$115,244	\$110,388
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	46.3	69.7	82.9	\$112,358	\$115,244	\$110,388
FUNDING				2006-07*	2007-08*	2008-09*
0366 Indian Gaming Revenue Share Trust Fund				\$75,227	\$103,757	\$96,500
0367 Indian Gaming Special Distribution Fund				35,328	8,502	10,422
0567 Gambling Control Fund				1,803	2,985	3,466
TOTALS, EXPENDITURES, ALL FUNDS				\$112,358	\$115,244	\$110,388

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Business and Professions Code Sections 19811-19824 and 19840-19984

Government Code Sections 12012.25, 12012.35, 12012.40, 12012.45, and 63048.65

MAJOR PROGRAM CHANGES

- Electronic Gaming Device Inspection Program-The Budget includes \$1 million Indian Gaming Special Distribution Fund and 7.6 positions to permanently fund the Commission's Field Testing and Technical Services Programs, which will be combined and renamed the Electronic Gaming Device Inspection Program. These resources will allow the Commission to continue its evaluation and testing of Class III gaming devices (slot machines) in tribal casinos to ensure their compliance with industry and manufacturers' technical standards.
- New and Amended Tribal Gaming Compact Workload-The Budget includes \$282,000 Indian Gaming Special Distribution Fund and 2.2 positions to address increased workload in the Commission's Licensing Division related to new and amended Compacts.

DETAILED BUDGET ADJUSTMENTS

Baseline Adjustment Descriptions	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Electronic Gaming Device Inspection Program	\$-	\$-	-	\$-	\$1,008	7.6
• New and Amended Tribal Gaming Compact Workload	-	-	-	-	282	2.2
• Licensing Division Workload	-	-	-	-	444	4.7
• Pro Rata Adjustment	-	-	-	-	1,188	-
• Full Year Cost of New/Expanded Programs	-	-	-	-	646	-
• Employee Compensation Adjustments	-	275	-	-	296	-
• Price Increase	-	-	-	-	103	-
• Carryover/Reappropriation	-	7,257	-	-	-	-

* Dollars in thousands, except in Salary Range.

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	2007-08*			2008-09*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
• Retirement Rate Adjustment	-	-15	-	-	-15	-
• One Time Cost Reductions	-	-	-	-	-283	-
• Limited Term Positions/Expiring Programs	-	-	-	-	-1,008	-7.6
Totals, Baseline Adjustments	\$-	\$7,517	-	\$-	\$2,661	6.9
TOTALS, BUDGET ADJUSTMENTS	\$-	\$7,517	-	\$-	\$2,661	6.9

EXPENDITURES BY CATEGORY (Summary By Object)

1 State Operations	Positions			Expenditures		
	2006-07	2007-08	2008-09	2006-07*	2007-08*	2008-09*
PERSONAL SERVICES						
Authorized Positions (Equals Sch. 7A)	46.3	80.0	72.0	\$3,263	\$4,769	\$4,713
Total Adjustments	-	-	15.3	-	181	1,379
Estimated Salary Savings	-	-10.3	-4.4	-	-248	-305
Net Totals, Salaries and Wages	46.3	69.7	82.9	\$3,263	\$4,702	\$5,787
Staff Benefits	-	-	-	1,099	1,831	2,268
Totals, Personal Services	46.3	69.7	82.9	\$4,362	\$6,533	\$8,055
OPERATING EXPENSES AND EQUIPMENT				\$2,806	\$4,671	\$5,833
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$7,168	\$11,204	\$13,888
2 Local Assistance						
Grants and Subventions				\$105,190	\$104,040	\$96,500
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)				\$105,190	\$104,040	\$96,500

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
0367 Indian Gaming Special Distribution Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$7,279	\$-	\$-
Allocation for employee compensation	203	-	-
Adjustment per Section 3.60	25	-	-
001 Budget Act appropriation, as amended by Chapter 172, Statutes of 2007	-	8,029	-
Allocation for employee compensation	-	201	-
Adjustment per Section 3.60	-	-11	-
001 Budget Act appropriation	-	-	10,422
Totals Available	\$7,507	\$8,219	\$10,422
Unexpended balance, estimated savings	-2,142	-	-
TOTALS, EXPENDITURES	\$5,365	\$8,219	\$10,422
0567 Gambling Control Fund			
APPROPRIATIONS			
001 Budget Act appropriation	\$2,854	\$2,915	\$3,466
Allocation for employee compensation	87	74	-
Adjustment per Section 3.60	11	-4	-
Totals Available	\$2,952	\$2,985	\$3,466
Unexpended balance, estimated savings	-1,149	-	-

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1 STATE OPERATIONS	2006-07*	2007-08*	2008-09*
TOTALS, EXPENDITURES	<u>\$1,803</u>	<u>\$2,985</u>	<u>\$3,466</u>
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$7,168	\$11,204	\$13,888
2 LOCAL ASSISTANCE	2006-07*	2007-08*	2008-09*
0366 Indian Gaming Revenue Share Trust Fund			
APPROPRIATIONS			
101 Budget Act appropriation	\$96,500	\$96,500	\$96,500
Prior year balances available:			
Chapter 720, Statutes of 2005	5,484	7,257	-
Totals Available	\$101,984	\$103,757	\$96,500
Unexpended balance, estimated savings	-19,500	-	-
Balance available in subsequent years	-7,257	-	-
TOTALS, EXPENDITURES	\$75,227	\$103,757	\$96,500
0367 Indian Gaming Special Distribution Fund			
APPROPRIATIONS			
101 Budget Act appropriation	\$30,000	\$283	\$-
111 Budget Act appropriation (Transfer to Indian Gaming Revenue Sharing Trust Fund)	(50,500)	(50,500)	-
Prior year balances available:			
Chapter 858, Statutes of 2003	146	-	-
Totals Available	\$30,146	\$283	\$-
Unexpended balance, estimated savings	-183	-	-
TOTALS, EXPENDITURES	\$29,963	\$283	\$-
TOTALS, EXPENDITURES, ALL FUNDS (Local Assistance)	\$105,190	\$104,040	\$96,500
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Local Assistance)	\$112,358	\$115,244	\$110,388

FUND CONDITION STATEMENTS

	2006-07*	2007-08*	2008-09*
0367 Indian Gaming Special Distribution Fund ^s			
BEGINNING BALANCE	\$99,957	\$153,414	\$175,339
Prior year adjustments	-524	-	-
Adjusted Beginning Balance	\$99,433	\$153,414	\$175,339
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
150300 Income From Surplus Money Investments	5,111	3,345	1,689
161400 Miscellaneous Revenue	147,281	96,393	48,672
Transfers and Other Adjustments:			
TO0366 To Indian Gaming Revenue Share Trust Fund per Government Code Section 12012.85	-47,000	-50,500	-
Total Revenues, Transfers, and Other Adjustments	<u>\$105,392</u>	<u>\$49,238</u>	<u>\$50,361</u>
Total Resources	\$204,825	\$202,652	\$225,700
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0820 Department of Justice (State Operations)	12,869	15,505	15,225
0855 California Gambling Control Commission			
State Operations	5,365	8,219	10,422
Local Assistance	29,963	283	-
4200 Department of Alcohol and Drug Programs (State Operations)	3,125	3,306	3,281
8380 Department of Personnel Administration (State Operations)	89	-	207
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	-	-	1
Total Expenditures and Expenditure Adjustments	<u>\$51,411</u>	<u>\$27,313</u>	<u>\$29,136</u>

* Dollars in thousands, except in Salary Range.

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	<u>2006-07*</u>	<u>2007-08*</u>	<u>2008-09*</u>
FUND BALANCE	\$153,414	\$175,339	\$196,564
Reserve for economic uncertainties	153,414	175,339	196,564
0567 Gambling Control Fund^s			
BEGINNING BALANCE	\$5,606	\$10,860	\$13,668
Prior year adjustments	<u>6</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$5,612	\$10,860	\$13,668
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
125600 Other Regulatory Fees	11,201	11,201	11,201
125700 Other Regulatory Licenses and Permits	460	460	460
125800 Renewal Fees	561	206	206
125900 Delinquent Fees	19	19	19
142500 Miscellaneous Services to the Public	684	684	684
150300 Income From Surplus Money Investments	421	421	421
161400 Miscellaneous Revenue	<u>2</u>	<u>2</u>	<u>2</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$13,348</u>	<u>\$12,993</u>	<u>\$12,993</u>
Total Resources	\$18,960	\$23,853	\$26,661
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0820 Department of Justice (State Operations)	6,286	7,183	8,943
0840 State Controller (State Operations)	11	17	12
0855 California Gambling Control Commission (State Operations)	<u>1,803</u>	<u>2,985</u>	<u>3,466</u>
Total Expenditures and Expenditure Adjustments	<u>\$8,100</u>	<u>\$10,185</u>	<u>\$12,421</u>
FUND BALANCE	\$10,860	\$13,668	\$14,240
Reserve for economic uncertainties	10,860	13,668	14,240

CHANGES IN AUTHORIZED POSITIONS

	<u>Positions</u>			<u>Expenditures</u>		
	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2006-07*</u>	<u>2007-08*</u>	<u>2008-09*</u>
Totals, Authorized Positions	46.3	80.0	72.0	\$3,263	\$4,769	\$4,713
Salary Adjustments	-	-	-	-	181	543
Proposed New Positions	Salary Range					
Compliance Division:						
Systems Software Specialist III-Supvry	-	-	1.0	6,698-7,368	-	84
Systems Software Specialist II	-	-	2.0	6,379-7,017	-	161
Systems Software Specialist I	-	-	1.0	4,554-6,683	-	67
Staff Services Analyst	-	-	2.0	2,724-4,300	-	81
Management Services Technician	-	-	2.0	2,413-3,313	-	66
Licensing Division:						
Associate Governmental Program Analyst	-	-	5.3	4,255-5,172	-	300
Staff Services Analyst	-	-	1.0	2,724-4,300	-	42
Office Technician	-	-	1.0	2,598-3,157	-	35
Totals, Proposed New Positions	<u>-</u>	<u>-</u>	<u>15.3</u>	<u>\$-</u>	<u>\$-</u>	<u>\$836</u>
Total Adjustments	<u>-</u>	<u>-</u>	<u>15.3</u>	<u>\$-</u>	<u>\$181</u>	<u>\$1,379</u>
TOTALS, SALARIES AND WAGES	46.3	80.0	87.3	\$3,263	\$4,950	\$6,092

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